



**MARINE CORPS LOGISTICS COMMAND  
SUPPLY CHAIN MANAGEMENT BUSINESS PLAN  
FY 2005 – FY 2009**

**Prepared by: Fred J. Howard**

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## INTRODUCTION

The Marine Corps by tradition is an innovative, forward thinking organization. Today, as in times past, the Corps is exploring alternative war fighting concepts, techniques, doctrines, organizations, and equipment. Changes in world military capabilities, politics, economics, demographics, and cultures make this introspection healthy and vital. Efforts to make the Marine Air Ground Task Force (MAGTF) more effective are matched by corresponding efforts to make Combat Service Support (CSS) and the Combat Service Support Element (CSSE) more effective. Shifting budgets and forward basing and access overseas, necessitate making CSS not only more effective, but also more efficient. New capabilities will be necessary to support evolving operational concepts such as Operational Maneuver from the Sea (OMFTS).

The Supply Chain Management Center (SCMC) is heavily committed in both internally and externally driven Supply Chain Management initiatives (SCM). Requirements are levied by Headquarters in the Marine Corps Logistics Campaign Plan (MCLCP); Marine Corps Logistics Command Guidance (Personal For Major General Mashburn); the implementation of Logistic Modernization Initiatives (formerly Integrated Logistics Capability (ILC); the strategic planning efforts, and the consolidation and integration of Supply Chain Management (SCM) activities at SCMC. Even a cursory environmental scan reveals significant additional challenges for the SCMC and the roles in other Logistics Modernization initiatives such as the Marine Corps Combat Service Support (CSS) Operational Architecture, realignment of Maintenance, Performance Based Logistics (PBL), and distribution management. In this dynamic environment, the informed prioritization of effort and resources will be critical to success. New resource requirements must be programmed, and existing personnel knowledge must be expanded for these new challenges. Organizational and process change must be carefully crafted for not only short-term successes, but also long-term mission accomplishment.

The LOGCOM Strategic Plan is consistent with and supports the vision, goals, and objectives published by higher headquarters. The LOGCOM Strategic Plan is built around a Balanced Scorecard methodology comprised of four themes, enhance our focus on the operating forces; enhance logistics enterprise integration; enhance Maintenance Centers and Pre-positioning; develop logistics chain team, enhance logistics chain and MAGTF integration. The strategic objectives which support achieving our strategic goals are: to improve perfect order fulfillment, provide responsive support, sustain high level of readiness, enhance logistics planning, meet or exceed published schedule, and establish communication links.

The SCMC business plan is consistent with and supports the LOGCOM Strategic Plan. The current SCMC focus is to sustain transformation of supply chain operations, implement the balanced score card objectives, and accomplish missions and responsibilities in the 2005 to 2009 timeframe. Additionally, the Commander's Vision calls for International Standards Organization (ISO) Qualification of SCM functions. A necessary precursor to this initiative, for it to be successful, is a stable organization with

stabilized and documented processes. Organizations and process stability will allow pursuit of ISO Qualification during this timeframe. Through its evolution to a SCM organization, and assumption of its new roles and missions, the SCMC will continue to play a pivotal role in the Marine Corps' logistics transformation.

Submitted to:

COMMANDER, MARINE CORPS LOGISTICS COMMAND

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Colonel, USMC  
Director, Supply Chain Management Center

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## **VISION**

Will be the preferred provider of supply chain management services, focused on USMC enterprise-wide perfect order fulfillment.

## **PRIMARY MISSION**

To plan, make, source, deliver, return and manage Marine Corps worldwide wholesale and selected retail supply chain functions for Principal End Items and assigned Secondary items for Operating Forces and other supported units to maximize their sustainability.

## **COMPETITIVE IMPERATIVE**

To provide War Fighter's a continuous stream of necessities worldwide.

## **BUSINESS OBJECTIVES**

The SCMC's broad business objectives are outlined in the Logistics Command's Strategic Plan under the customer/warfighter and internal Perspectives. These objectives support the strategic goal: "Become the supplier of choice by maximizing our capability to provide the right materiel at the right place, and at the right time."

### **Objectives:**

#### Customer / War Fighter Perspective:

1.1 SCMC will improve our ability to provide the right product, in the right quantity, in the right condition and packaging, at the right cost, to the right place at the right time by improving our perfect order fulfillment rate.

1.2 SCMC will improve our ability to provide flexible solutions that allow us to shift priorities quickly, efficiently, and effectively in response to continually changing customer needs.

1.3 SCMC will improve our supply, maintenance, and distribution functions on MPB managed Secondary Depot Repairable items.

1.4 SCMC will improve our supply, maintenance, and distribution functions for PEI sustainability.

1.5 SCMC will provide best value to meet the needs of the customer /warfighter.

#### Internal Processes Perspective:

2.1 SCMC will enhance our support for logistics planning and future requirements forecasting.

2.2 SCMC will enhance planning in support of Combatant Commander's Operation Plans (OPLANS) and exercises.

2.3 SCMC will ensure the proper internal processes and procedures are in place to meet customer demand.

2.4 SCMC will meet customer expectations regarding cost of secondary items by ensuring actual costs do not exceed planned costs.

2.5 SCMC will enhance the relationship with both suppliers and customers through improved, proactive, and relevant communication and collaboration using multiple channels.

### Learning & Growth:

3.1 SCMC will promote and enforce the command safety awareness program that transcends the work place by understanding the costs associated with unsafe activities.

3.2 SCMC supervisors will support LOGCOM by the development of strategies designed to attract, acquire, develop and retain a quality workforce.

3.3 SCMC will support and promote the command “satisfaction climate of the workforce program” in an effort to provide a physical and emotional work environment and culture that makes people want to become a part of this Command.

3.4 SCMC will promote and support the Command’s retention policy goals for the Marines and Sailors of this Command.

### Financial Perspective:

4.1 SCMC will support P&R LOGCOM to ensure financial credibility by following ethical accounting standards and by completing the critical path for the Qualified Audit Working Capital Fund.

4.2 SCMC will support P&R LOGCOM to increase Marine Corps funding streams to provide for growing and broadening our business base by ensuring our programs are “model based.”

4.3 SCMC will support P&R LOGCOM to balance our resource posture with our strategic requirements.



## **PERFORMANCE METRICS**

The SCMC will measure its performance in pursuit of its business objectives by the following primary metrics:

- # Of completed requisitions meeting TDD or RDD standard divided by total number completed
- Fill Rate
- Forecast Accuracy
- Units Produced/Units Scheduled (RDD)
- SDR expected returns that exceed scheduled return date (120 conus/180 oconus)
- # of buys meeting ALT Baseline/total # of buys
- # of established communication links
- Perfect Order Fulfillment Rate
- Planned total cost/Actual total cost (SMAG)
- % Of employees with IDPs (measure, Total # with IDP divided by total population on board over 60 days) Goal is 100% (part of supervisors performance covered by meet organizational goals) % by Department

## **ORGANIZATIONAL RESPONSIBILITIES**

### **PLAN**

DEMAND/SUPPLY PLANNING  
PROVISIONING  
ITEM CLASSIFICATION AND CODING FOR STOCKAGE REQUIREMENTS  
ITEM SUPPORT GOALS  
FORECASTING CUSTOMER DEMAND  
MATERIEL STOCKAGE COMPUTATIONS  
SECONDARY ITEM WAR RESERVE REQUIREMENTS  
MATERIEL RETENTION  
ITEM REDUCTION

### **SOURCE**

SOURCING AND MATERIEL ACQUISITION  
MATERIEL SUPPORT ALTERNATIVES  
ACQUISITION INTERFACES  
INTEGRATED MATERIEL MANAGEMENT  
QUALITY PROGRAMS  
DIMINISHING MANUFACTURING SOURCES AND MATERIEL SHORTAGES (DMSMS)  
MANAGEMENT OF ON-ORDER ASSETS  
RECEIPT PROCESSING

### **MAKE/MAINTAIN**

MAKE/MAINTAIN MATERIEL  
MAINTENANCE INTERFACES  
BUYING FROM SUPPLIERS  
CLS AND DVD INTERFACES  
SETS, KITS, AND OUTFITS

### **DELIVER**

END-TO-END DISTRIBUTION  
STOCK POSITIONING  
REQUISITIONING  
MATERIEL ISSUE PROCESSING  
LATERAL REDISTRIBUTION OF ASSETS  
DISTRIBUTION OPERATIONS  
ITEM ACCOUNTABILITY/CONTROL AND STEWARDSHIP  
INTRANSIT ASSET VISIBILITY

HAZARDOUS MATERIALS  
MATERIEL DISPOSITION  
CONTROL OF ACCESS TO DoD MATERIEL INVENTORIES REQUIRED  
BY DEFENSE CONTRACTS

## **RETURN**

MATERIEL RETURNS  
RETURN OF DEFECTIVE MATERIEL  
RETURN OF MATERIEL FOR MAINTENANCE, REPAIR, OR OVERHAUL  
MATERIEL RETURNS PROGRAM FOR RETAIL ASSETS

## **SUPPORTING TECHNOLOGIES**

SUPPLY CHAIN MATERIEL MANAGEMENT SYSTEMS  
AUTOMATED IDENTIFICATION TECHNOLOGY (AIT)  
SUPPLY CHAIN ANALYTICAL CAPABILITIES  
PRODUCT SUPPORT DATA

## **LOGISTICS PROGRAMS AND SYSTEMS**

CATALOGING  
NEW CLOTHING AND TEXTILE ITEMS 150  
SPARE PARTS BREAKOUT PROGRAM 153  
PRICE CHALLENGE AND PRICE VERIFICATION PROGRAM 154  
DoD AVIATION CRITICAL SAFETY ITEM (CSI)/FLIGHT SAFETY CRITICAL  
AIRCRAFT PART (FSCAP) PROGRAM  
MANAGEMENT SYSTEM OF LOGISTICS STANDARD SYSTEMS  
AND DATA  
PACKAGING  
UNIFORM MATERIEL MOVEMENT AND ISSUE PRIORITY SYSTEM  
(UMMIPS)

## **SPECIAL REQUIREMENTS**

STRATIFICATION  
SUPPLY SYSTEM INVENTORY REPORT (SSIR)  
AMMUNITION STRATIFICATION, REPORTING, AND CROSS  
LEVELING  
LOGISTICS SUPPORT OF U.S. NON-DoD OR NON-GOVERNMENT,  
AGENCIES, AND INDIVIDUALS IN OVERSEAS MILITARY COMMANDS  
EXCHANGE OR SALE OF NONEXCESS PERSONAL PROPERTY

## **CUSTOMERS**

### **External:**

Major external customers of the SCMC include the Marine Corps Operating Forces and other U.S. and Allied Forces. No attempt is made to identify all external customers for which the SCMC provides information services.

### **Internal:**

Major internal customers include Marine Corps Systems Command (MCSC), Blount Island Command, the Maintenance Directorate, and the Maintenance Centers. No attempt is made to identify all internal customers for which the SCMC provides information services.

## **PLANNING ENVIRONMENT**

The SCMC's planning environment includes considerable opportunities and some constraints. Opportunities abound to delve into all aspects of SCM. The PM's assumption of process ownership of LCM for weapon systems and equipment and logistics automated information systems will allow management focus and consolidation of resources for dedication to LOGCOM'S core competency of SCM. Externally driven initiatives bring the opportunity to broaden MCLB focus from wholesale supply functions to other levels of supply, and to branch into the full realm of SCM. Externally driven initiatives provide the opportunity for higher headquarters support to include infusion of fiscal resources, and the cooperation of all stakeholders through headquarters mandates for change. The consolidation and integration of SCM functions and activities in MCLB offers opportunities for greater efficiencies, which is currently under study. Opportunities exist to form strategic partnerships with other Department of Defense (DOD) activities such as the Defense Logistics Agency (DLA), other federal agencies such as the Office of Humanitarian Assistance and Demining Program (HAP), and defense industry.

A few practical constraints accompany these opportunities. More often than not, externally driven initiatives have included specific timelines for implementation of change. This often relegates internally driven initiatives to secondary status. Externally driven initiatives may actually include mandates for application of no additional resources, or may simply provide no additional resources, which requires resource reprioritization. Competition for scarce resources to cover emerging initiatives has caused a significant resource-strategy mismatch at LOGCOM and in the SCMC. This has forced LOGCOM in its strategic planning efforts, to concentrate its finite resources on fewer, externally driven, and higher valued initiatives. During a recent strategic planning session, LOGCOM prioritized what were characterized as the Command's top strategic initiatives, for purposes of prioritizing Command resources.

## **SUPPLIER ENVIRONMENT**

SCMC utilizes to the maximum extent possible, performance-based materiel support arrangements consistent with DoD policy preference for PBL support strategies. The use of performance-based contracts or organic arrangements (or suitable alternatives such as Military Service-level agreements) reflects required outcomes as their objectives.

## INITIATIVES (SUPPORT)

### NAVAL LOGISTICS INTEGRATION-AFLOAT MEU SUPPORT

#### FACTS:

1. **Balanced Scorecard Goal/Objective. (Which BSC goal/objective does this strategic initiative support? How so?)** “*Provide responsive support*” is described in the LOGCOM Balanced Scorecard as “delivering responsive, consistent, and reliable support using best value providers and processes in accordance with DoD 4140.1-R.” This initiative is designed to provide MEUs afloat with the option to procure prepositioned Class IX supplies from Combat Logistics Force ships.
2. **Project Description. (What is the nature of the initiative being worked?)** The MEU Afloat Support initiative combines the global responsiveness of the Navy’s afloat supply support systems and extensive availability of material through Combat Logistics Force (CLF) vessels to reduce the Marine Expeditionary Unit (MEU) Average Customer Wait Time (ACWT) and improve distributor to foxhole sustainment.
3. **Why Required. (What performance gap is closed, new logistics capability introduced, business process improved or better business practice incorporated? Are the benefits to LOGCOM... to the USMC?).** Deployed MEU’s historically depend upon stovepipe logistics systems to obtain sustainment while afloat. While this process has proven dependable, it is not time sensitive to the needs of forward deployed units. The benefits are to forward deployed Marine Corps forces that rely on sustainment at sea.
4. **Resources. (Is the initiative already POM’d for? How much per year? If not in the POM has a budget been developed? How much per fiscal year? Has an IPT already been established? Is there an estimate of the number of man-hours required? If so, how many per fiscal year?)** The Navy is currently funding initial investment of stock aboard the CLF ships with their Navy Working Capital Funds. SCMC Resource and Enabling Department Head, LtCol Jim Brown, is the Marine Corps’ champion for this initiative. The Navy Operational Logistics Support Center, CDR Joe Hennesy, is the Navy’s champion for this initiative. There is no current POM projection submitted, nor an estimate for man-hours required. Supply Chain Process and Performance Analyst and Demand Forecasting and Supply Planning Analyst support is required from within SCMC.
5. **Plan of Action and Milestones. (What are the start and end dates. What are the interim high level actions and milestones?)**

#### PROGRESS TO DATE:

#### History of initiative

ESG-1 piloted the initiative and successfully requisitioned items through the Amphibious Readiness Group (ARG) Supply Officer. Requisitions were manually entered and costs covered through a MIPR. ESG-2 continued the pilot but was limited in requisitioning due to OEF operational commitments ashore. ESG-3 will also be limited in participation due to OIF operational commitments ashore.

Issue/Challenges

- OIF/OEF operational commitments has limited MEU participation.
- IT compatibility between Marine and Navy supply systems
- Financial transactions

Status

- Initiative is continually being worked for the limited time MEU's are afloat. Currently, MEU's are participating during deployment and redeployment period only.

FUTURE ACTIONS:

Near Term: 1-2 months

- Continue to refine CLF material to ensure MEU's needs are met.
- Publish MARLOGCOM NLI implementation message

Mid Term: 3-6 months

- Determine best means to conduct financial transactions between MEU and afloat supply support organizations
- Determine way ahead to bridge incompatibility of supply support systems
- Conduct familiarization training with deploying MEU's

Long Term: Beyond 6 months

- Implement initiative as SOP for all MEU's and deploying MAGTF's

6. **Owning Organization/ Partners.** (Under which organization's cognizance does this strategic initiative fall? What other organizations are involved in this strategic initiative? How so?) SCMC is the owning activity within LOGCOM and the Marine Corps. The Navy Operational Logistics Support Center (NOLSC) is the Navy's owning command.

7. **Point of Contact.** (Project Lead, telephone number and email address) Point of contact is LtCol Jim Brown, SCMC; [james.e.brown2@usmc.mil](mailto:james.e.brown2@usmc.mil); 639-6855.



## INITIATIVES (SUPPORT)

### NAVAL LOGISTICS INTEGRATION-ATAC/Ground Marine Retrograde

#### FACTS:

- 1. Balanced Scorecard Goal/Objective. (Which BSC goal/objective does this strategic initiative support? How so?)** “Meet or Exceed the Published Schedule” is a LOGCOM Balanced Scorecard strategic objective designed to ensure that LOGCOM meets internal schedule dates. This insures that the internal processes and procedures are in place and working properly to meet customer demand. This will also support the “Control Costs” strategic objective by minimizing the impact of carcass losses and overaged carcass returns on the Navy Working Capital Fund (Supply Management Activity Group) Cost Recovery Rate. LOGCOM-SCMC is responsible for managing the Marine Corps’ Material Returns Process (MRP) for SECREPs to ensure carcasses are available to meet the Depot Level Maintenance Program Master Work Schedule. ATAC is a Navy program that is focused on this process.
- 2. Project Description. (What is the nature of the initiative being worked?)** This initiative is designed to evaluate and pilot use of the Navy’s Advanced Traceability and Control/Technical Assistance for Repairables Processing (ATAC/TARP) program, which is specifically focuses on intense management of depot level repairables returns (reverse logistics) management.
- 3. Why Required. (What performance gap is closed, new logistics capability introduced, business process improved or better business practice incorporated? Are the benefits to LOGCOM... to the USMC?)** This initiative benefits (1) the Marine Corps’ retail-level Repairable Issue Points (RIPs) in the operating forces and supporting establishment, and (2) LOGCOM-SCMC wholesale-level SECREP and Centralized SECREP Management processes. ATAC/TARP provides more intense management of SECREP returns throughout the globe in garrison and in deployed environments. Currently, retail-level RIPs do not obtain responsive and reliable support from Base/Station TMOs. Planning for SECREP Returns is poorly planned and rarely executed in a methodical manner. MEU deployments traditionally do not return retrograde until at the end of deployments. A contingency contract was signed with DHL during OIF-I by I MEF/MLC to facilitate SECREP carcass retrograde movement to LOGCOM. Material was poorly packaged and preserved, and material was not properly identified with appropriate documentation. The high-level performance expectations are to (1) significantly improve reverse cycle time performance for SECREP retrograde, and (2) provide in-transit visibility of SECREP retrograde.
- 4. Resources. (Is the initiative already POM’d for? How much per year? If not in the POM has a budget been developed? How much per fiscal year? Has an IPT already been established? Is there an estimate of the number of man-hours required? If so, how many per fiscal year?)** Initiative is not currently in the POM.

Existing Transportation Account Codes (TAC) centrally managed by HQMC (LPC-D) are used to fund SECREP retrograde transactions according the policy. Contingency funding has been utilized to provide CSSG-15 ATAC/TARP contractor support for OIF-II. SCMC contractors forward positioned at FSSG RPs are also utilized to pilot utilization of the ATAC/TARP project at 1<sup>st</sup>, 2<sup>nd</sup>, and 3<sup>rd</sup> FSSGs. Naval Inventory Control Point Philadelphia PA received funding (\$100K) to fund system changes for the eRMS program, which is IT enabler for the ATAC/TARP program. A fair-share portion of this funding is being utilized to fund system changes to accommodate “ground Marine” SECREP retrograde transactions and processes unique to Marine Corps Combat Service Support logistics chain management. This initiative naturally supports SCMC’s Distribution Branch operations as a potential “Best Business Practice,” and therefore, there should be no additional personnel support required to manage this initiative. Additional contractor support might be required beyond that currently being utilized in Iraq, to support ATAC/TARP processes at the RPs.

**5. Plan of Action and Milestones. (What are the start and end dates. What are the interim high level actions and milestones?)** This initiative is currently being piloted at 1<sup>st</sup>, 2<sup>nd</sup> and 3<sup>rd</sup> FSSGs, and by I MEF (FWD) in support of OIF-II. Plans are underway to pilot utilization of the ATAC/TARP program by the 31<sup>st</sup> MEU aboard the USS Essex and potentially other MEU deployments, continue utilization of the ATAC/TARP program for OIF-III by II MEF (FWD), and potentially support Afghanistan operations.

**Near Term: 1-2 months**

- Finish programming
- Site surveys: Lejeune, Pendleton, Okinawa
- Lejeune in eRMS
- Pursue Essex Aviation/Ground Marines integration

**Mid Term: 3-6 months**

- Albany, Pendleton, Okinawa in eRMS
- Ensure smooth I/II MEF switch in Iraq
- Define ideal end state of ATAC/Ground Marines integration
- Develop plan to implement additional Ground Marines locations

**Long Term: Beyond 6 months**

- React with flexibility to ongoing Ground Marines needs
- Better define costs
- Continue to analyze/pursue additional integration

**6. Owning Organization/ Partners. (Under which organization’s cognizance does this strategic initiative fall? What other organizations are involved in this strategic initiative? How so?)** Owning organizations for the initiative are LOGCOM-SCMC for the Marine Corps, and Naval Inventory Control Point Philadelphia PA for the Navy.

**7. Point of Contact. (Project Lead, telephone number and email address)** Primary Marine Corps Project lead is GS-13 Eric Granahan, SCMC Material and Distribution

Department (Distribution Branch Head); [Michael.granahan@usmc.mil](mailto:Michael.granahan@usmc.mil); 639-XXXX?  
Secondary Marine Corps project , lead is Major Shaun McDoniel, SCMC Supply Chain  
Operations Officer, [mcdonielps@logcom.usmc.mil](mailto:mcdonielps@logcom.usmc.mil); 639-6502. Navy project lead is GM-  
14 Bev Thomas, ATAC Program Manager NAVICP-P, DSN 442-XXXX,  
[Beverly.Thomas@navy.mil](mailto:Beverly.Thomas@navy.mil)

## INITIATIVES (SUPPORT)

### SCOPE/DSC Project (TLCSM)

#### FACTS:

1. **Balanced Scorecard Goal/Objective. (Which BSC goal/objective does this strategic initiative support? How so?** “Provide Integrated Logistics Picture” is supported by this initiative. SCMC does not have the Supply Chain Decision Support Tools (Logistics IT) to support strategic supply chain management and core business activities to accomplish enterprise-wide supply chain and distribution management.
2. **Project Description. (What is the nature of the initiative being worked?)** The SCOPE/DSC project is designed to provide an automated decision support tool for helping discover and develop requirements for enterprise-wide supply chain and distribution management functions managed by SCMC.
3. **Why Required. (What performance gap is closed, new logistics capability introduced, business process improved or better business practice incorporated? Are the benefits to LOGCOM... to the USMC?)** SCMC does not have the Supply Chain Decision Support Tools (Logistics IT) to support strategic supply chain management and core business activities to accomplish enterprise-wide supply chain and distribution management. SCMC also does not possess an automated supply chain and distribution performance management tool. This project will close these gaps to provide the employees and management/leadership of SCMC the tools to perform their daily jobs given the constraints of current legacy logistics information systems.
4. **Resources. (Is the initiative already POM'd for? How much per year? If not in the POM has a budget been developed? How much per fiscal year? Has an IPT already been established? Is there an estimate of the number of man-hours required? If so, how many per fiscal year?)** Funding controlled by LOGCOM Studies and Analysis provided to Concurrent Technologies Corp (CTC) is being used to fund this effort. There is no current POM for this initiative. One (1) Operations Research Analyst from S&A is supporting this project, and SCMC has 4 Marines and 5 civilians, and one contractor are supporting this project.
5. **Plan of Action and Milestones. (What are the start and end dates. What are the interim high level actions and milestones?)** SCMC and S&A are currently in the initial concept development phase with CTC, and are near completion of the initial “Alpha website” to provide initial functional views of order management and capacity management functions internal to SCMC’s SECREP Management business activities.
6. **Owning Organization/ Partners. (Under which organization’s cognizance does this strategic initiative fall? What other organizations are involved in this strategic initiative? How so?)** SCMC is the owning organization within LOGCOM. SCMC will

benefit from this initiative, and indirectly, all customers of the Marine Corps by receiving more responsive and reliable supply chain support.

7. **Point of Contact.** (Project Lead, telephone number and email address) Major Shaun McDoniel, SCMC Supply Chain Operations Officer, [mcdonielps@logcom.usmc.mil](mailto:mcdonielps@logcom.usmc.mil); 639-6502.

## INITIATIVES (SUPPORT)

Logistics Data Conversion initiative (TLCSM)

FACTS:

1. **Balanced Scorecard Goal/Objective.** (Which BSC goal/objective does this strategic initiative support? How so?) “Provide Integrated Logistics Picture” is supported by this initiative.
2. **Project Description.** (What is the nature of the initiative being worked?)
3. **Why Required.** (What performance gap is closed, new logistics capability introduced, business process improved or better business practice incorporated? Are the benefits to LOGCOM... to the USMC?)
4. **Resources.** (Is the initiative already POM’d for? How much per year? If not in the POM has a budget been developed? How much per fiscal year? Has an IPT already been established? Is there an estimate of the number of man-hours required? If so, how many per fiscal year?)
5. **Plan of Action and Milestones.** (What are the start and end dates. What are the interim high level actions and milestones?)
6. **Owning Organization/ Partners.** (Under which organization’s cognizance does this strategic initiative fall? What other organizations are involved in this strategic initiative? How so?)
7. **Point of Contact.** (Project Lead, telephone number and email address) CWO3 Chris Peterson, SCMC Supply Chain Analyst, christopher.peterson@usmc.mil; 639-6855.

## INITIATIVES (SUPPORT)

Implement AIT/UID/RFID/DLMS (Hip pocket)

### FACTS:

1. **Balanced Scorecard Goal/Objective.** (Which BSC goal/objective does this strategic initiative support? How so?) “Provide End-to-End Life Cycle Management for the USMC” and “Establish Communications Links” are supported by this initiative.
2. **Project Description.** (What is the nature of the initiative being worked?) This is an issue that SCMC needs to table at the EOS. The EOS needs to decide who will be the champion for this initiative. Ideally, C-4 should be the lead with SCMC as a functional.
3. **Why Required.** (What performance gap is closed, new logistics capability introduced, business process improved or better business practice incorporated? Are the benefits to LOGCOM... to the USMC?) These technology initiatives will better enable supply chain and distribution processes.
4. **Resources.** (Is the initiative already POM'd for? How much per year? If not in the POM has a budget been developed? How much per fiscal year? Has an IPT already been established? Is there an estimate of the number of man-hours required? If so, how many per fiscal year?)
5. **Plan of Action and Milestones.** (What are the start and end dates. What are the interim high level actions and milestones?)
6. **Owning Organization/ Partners.** (Under which organization's cognizance does this strategic initiative fall? What other organizations are involved in this strategic initiative? How so?)
7. **Point of Contact.** (Project Lead, telephone number and email address)

## INITIATIVES

### READINESS BASED SPARING STUDIES

#### FACTS:

1. **Balanced Scorecard Goal/Objective.** This strategic initiative supports the Balanced Scorecard Goal/Objective to Enhance Logistics Planning.
2. **Project Description.** This effort will involve dedication of resources to explore viable alternative models to replace existing limited secondary items forecasting models.
3. **Why Required.** This initiative will ensure SCMC compliance with requirement of DoD 4140.1-R, Materiel Management Regulation policy which directs that Item support goals be established for all DoD secondary items to ensure the supply system maximizes the use of available resources to meet weapon system and equipment performance objective and readiness objective at least cost. DoD policy further directs that Readiness Based Sparing models used for replenishment be similar to the Provisioning RBS requirements determination models so that supply planning is compatible and consistent throughout the life cycle of the weapon system
4. **Resources.** Identification of recommended resources (Organic vs Contractor Support) required to complete this effort is currently TBD.
5. **Owning Organization/Partners.** Supply Chain Management Center, Supply Chain Planning Department with support from Resources and Enabling Department and LOGCOM Studies and Analysis Office
6. **Plan of Action and Milestones.** TBD
7. **Point of Contact.** Pamela C. Bryant or Tim Laing 639-6603/7988



## INITIATIVES (SUPPORT)

USMC Logistics Modernization: Implement the Quadrant Model (TLSCM)

FACTS:

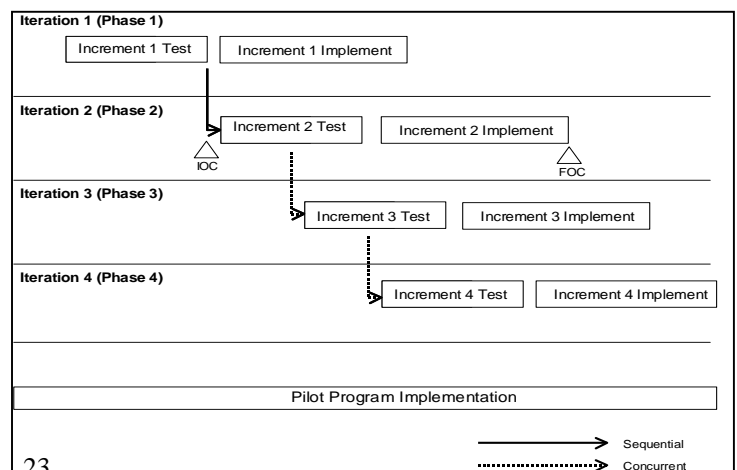
1. **Balanced Scorecard Goal/Objective.** (Which BSC goal/objective does this strategic initiative support? How so?) “Enhance Logistics Planning” will be impacted by this initiative.

2. **Project Description.** (What is the nature of the initiative being worked?) LOGCOM will test, implement and institutionalize the Quadrant Model in the areas of materiel management, procurement and contracting, between 2004 and 2006 to improve logistics responsiveness and efficiency. LOGCOM will also collaborate with the Marine Corps Systems Command and the DRPM Expeditionary Fighting Vehicle (pilot project) on their implementation of the Quadrant Model in the Acquisition Logistics focus area.

3. **Why Required.** (What performance gap is closed, new logistics capability introduced, business process improved or better business practice incorporated? Are the benefits to LOGCOM... to the USMC?) Current Acquisition Logistics, Material Management and Contracting/Procurement methodologies are counter to our lifecycle management objectives to create a synergy between acquisition, distribution, procurement, and materiel management functions. The benefits of this project are to improve logistics responsiveness and efficiency for the entire Marine Corps.

4. **Resources.** (Is the initiative already POM'd for? How much per year? If not in the POM has a budget been developed? How much per fiscal year? Has an IPT already been established? Is there an estimate of the number of man-hours required? If so, how many per fiscal year?) No POM submitted. No full time, dedicated resources provided. 1x Major (9650 MOS) in Studies and Analysis conducting Quadrant Model development. 1x Major (9662) in SCMC developing project management plan and plan of action and milestones. Sapient produced an extensive document detailing the resources in manpower and funding associated with managing the implementation of the Quadrant Model (can be provided upon request). Rough order magnitude financial estimates are \$100K to \$1M in travel, materials and services, and contractor support. Man-hours are uncertain. A full-time project office (of about 5 people) needs to be established to properly manage this high-level strategic initiative for not only LOGCOM, but the entire Marine Corps. Dedicated ad-hoc support, when required, must be allocated (e.g., augmentation by subject matter experts for limited timeframes).

5. **Plan of Action and Milestones.** (What are the start and end dates.



**What are the interim high level actions and milestones?)**

See figure to the right. LOGCOM will employ a phased approach to testing and implementing the Quadrant Model. Timeline TBD. Start date is August 2004; end date TBD (est. 2006)

6. **Owning Organization/ Partners.** (Under which organization's cognizance does this strategic initiative fall? What other organizations are involved in this strategic initiative? How so?) LOGCOM, HQMC, MCCDC, MARFORs, Supporting Establishment, MarCorSysCom.

7. **Point of Contact.** (Project Lead, telephone number and email address) Major Shaun McDoniel; 639-6502; [mcdonielps@logcom.usmc.mil](mailto:mcdonielps@logcom.usmc.mil).

## INITIATIVES (SUPPORT)

### Performance-based Logistics and Performance-based Agreements (PBL)

#### FACTS:

1. **Balanced Scorecard Goal/Objective.** (Which BSC goal/objective does this strategic initiative support? How so?) “Provide Best Value” will be impacted by this initiative.
2. **Project Description.** (What is the nature of the initiative being worked?)
3. **Why Required.** (What performance gap is closed, new logistics capability introduced, business process improved or better business practice incorporated? Are the benefits to LOGCOM... to the USMC?) TBD
4. **Resources.** (Is the initiative already POM’d for? How much per year? If not in the POM has a budget been developed? How much per fiscal year? Has an IPT already been established? Is there an estimate of the number of man-hours required? If so, how many per fiscal year?) TBD
5. **Plan of Action and Milestones.** (What are the start and end dates. What are the interim high level actions and milestones?) TBD
6. **Owning Organization/ Partners.** (Under which organization’s cognizance does this strategic initiative fall? What other organizations are involved in this strategic initiative? How so?) TBD
7. **Point of Contact.** (Project Lead, telephone number and email address) GS-13 Chris Berry and Major Shaun McDoniel.

## INITIATIVES (SUPPORT)

### SECONDARY ITEMS DEMAND PLANNING DECISION SUPPORT (TLCSM)

#### FACTS:

1. **Balanced Scorecard Goal/Objective:** This strategic initiative supports the Balanced Scorecard Goal/Objective to Enhance Logistics Planning.
2. **Project Description:** To automate current manual process for maintaining results of the Bi-Annual Secondary Items Stratification output.
3. **Why Required.** This initiative will improve the Secondary Items Planning process by providing an automated capability to utilize the results of the Secondary items stratification results to support secondary items procurement and repair decision. This effort should also provide readily available audit trail to justify expenditure of limited resources.
4. **Resources.** TBD
5. **Plan of Action and Milestones.** TBD
6. **Owning Organization/Partners.** Supply Chain Management Center, Supply Chain Planning Department with support from the Resources and Enabling Department as well as LOGCOM Studies and Analysis Office.
7. **Point Of Contact.** Pamela C. Bryant or Tim Laing 639-6603/7988.

## INITIATIVES (SUPPORT)

### DLMP/DERO STUDIES (TLCSM)

#### FACTS:

1. **Balanced Scorecard Goal/Objective:** This strategic initiative supports the balanced scorecard goal/objective to “Enhance Logistics Planning”.
2. **Project Description:** This effort involves the commitment of resources to provide an alternative model to replace the existing Depot Equipment Requirements Optimization (DERO) model.
3. **Why Required.** Access to the DERO model is currently limited to one computer, which requires the assistance of an Operation Research Analyst for execution. Execution of the tool is required to optimize depot equipment funding with depot equipment requirements. Funding level are adjusted throughout the year based upon guidance from HQMC Programs & Resources. The current system does not provide flexibility to immediately respond to P&R direction regarding the impact of adjustments in funding levels. The Best Value Equipment Sustainment (BVES) Working Group is chartered by HQMC to identify improvement in the Depot Level Maintenance Program (DLMP) processes. The DERO model provides a critical link to the DLMP process.
4. **Resources.** The LOGCOM Studies and Analysis Office has initiated action to commit resources to study the DERO model using resources from the graduate school at Monterey. Additional resources will be required based upon recommended courses of action.
5. **Plan of Action and Milestones.** TBD
6. **Owning Organization/Partners.** Supply Chain Management Center, Supply Chain Planning Department with support from the Resource and Enabling Department and the LOGCOM Studies and Analysis Office.
7. **Point of Contact.** Pamela C. Bryant or Harriet Woodyard at 639-6603/6600.

## INITIATIVES

### 4<sup>TH</sup> ECHELON MAINTENANCE MIGRATION

#### FACTS:

1. **Balanced Scorecard Goal/Objective.** Customer/Warfighter/Provide Responsive Support.
2. **Project Description.** The 4<sup>TH</sup> EOM Migration supports the movement of Secondary Repairable (SECREP) management to LOGCOM. It is intended to reduce the Maintenance Burden and Logistics Footprint currently required by the MARFORs through the identification of “Best-Value” sources of Remanufacture/Overhaul/Repair (ROR) for SECREPs.
3. **Why Required.** The migration of SECREP management to LOGCOM was identified as an Integrated Logistic Capability (ILC) recommendation. The Marine Corps’ Logistics Campaign Plan of 2002 directed that this recommendation be validated and implemented. This program reduces the burden on the MARFORs by leveraging on the efficiencies gained through centralized management and ROR of SECREPs. It significantly enhances readiness by ensuring that required SECREPs are available to support the needs of the war-fighter, when and where they are needed. This is accomplished through contractual agreements that establish firm-fixed pricing, Order-Ship Times, transportation, warranties and warranty management, and configuration management. The process also provides for the monitoring and analysis of SECREP performance through serial number identification and tracking, previously unavailable. Mean Time Between Failure (MTBF) rates, and configuration control data can also be used to identify potential problem areas for risk mitigation.
4. **Resources.** This initiative is currently in the POM, 250K per year, to cover TAD, material and contractor support only. The program does not have Manpower requirements in the POM to support future growth. A standing IPT has been established. The audience will change as the program migrates to other commodity areas (i.e ELMACO, OMC, EMC). Estimated man-hours to support this program is 26,797.
5. **Plan of Action and Milestones.** This program was initiated Jan 2002 with an initial Memorandum of Agreement being established with Unicor in Nov 01, Initiated a contract with Raytheon Information Systems in Sep 03 (currently 169NSNs on Contract), Began implementation of MCLC RIP Sep 03, Began implementation of I MEF Nov 03, Began implementation of II MEF Jan 03, MARFORRES implementation planning Aug 04, III MEF Implementation planning Sep 04, Refine/formalize deployed support plan Oct 04, Transition to Performance-based Contract Oct 05, III MEF Implementation tentatively 1 Nov 2004 TBD, MARFORRES Implementation TBD, Migration to other commodity areas TBD (This program initially focused on those items being repaired at the General Support Maintenance Companies. As this program matures, we will expand to other

commodity items found at the Electronic Maintenance Company, Ordnance Maintenance Company and the Engineer Maintenance Company) and FOC is Anticipated CY2006.

6. **Owning Organization/ Partners.** Supply Chain Management Center; Stakeholders; MARFORs, I&L, Maintenance Directorate, Primary Contractor; Raytheon Information Systems

7. **Point of Contact.** LtCol Kenneth M. Brown, (229) 639-8263 DSN 567-8263, [kenneth.m.brown@usmc.mil](mailto:kenneth.m.brown@usmc.mil)

## RESOURCES

SCMC resources are in a state of transition due to PM/WSM Integration Implementation. Consolidation and Integration of Intermediate/Retail Supply Support in MCLB will have a determinant effect as well.

As of 9 September 2004, the SCMC Table of Organization (T/O) contains:

	Albany	Barstow	Total
Officers	22	4	26
Enlisted	141	40	181
Civilians	364	104	468
Civilian overhires, and	9	3	12
Civilian Reimbursable Billets	11		11

Total structure is currently 698 billets considering those at all geographical locations. PM/WSM integration Implementation will result in 110-166 SCMC civilian personnel billets transferring to MCSC's T/O, as well as the operation control (OPCON) of 102 SCMC military personnel being transferred to MCSC.

FY05 Requirements, funding levels have not been identified from Comptroller

\$109.8M NWCF

\$72.2M O&M Regular Field Log Support, includes Labor and both FSDs

\$23.0M O&M Field Log OIF/GWOT requests for supplement

\$1.2M O&M MPS - Prep for Ship both FSDs

DLMP: O&M, Equipment Maintenance

\$355M Total Requirement

\$114M Initial approved funding

\$43M Approved Plus-Up

\$71M Not Approved Officially, but Ear-marked for repairs of Tanks in Anniston

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127M Unfunded Remaining Requirement



## **SUMMARY**

The SCMC SCM Business Plan is a dynamic document. It will be utilized as the short term, 1-5 year high-level road map, for organizational change management and resource allocation in the SCMC, for organizational training, and for general information. This, initial, version of the Business Plan is current as of 30 September 2004. The plan will be reviewed and updated annually, prior to LOGCOM's review of its strategic plan, to maintain its relevance and currency.